

THURSTON PARISH COUNCIL

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RISK ASSESSMENT AND MANAGEMENT (FINANCIAL) FOR THE PERIOD 1st APRIL 2019 – 31st MARCH 2020

TOPIC	RISK IDENTIFIED	High(H) Medium(M) Low(L)	MANAGEMENT OF RISK	IMPACT	STAFF/MEMBER ACTION	FREQUENCY
Personnel	A. Key Personnel	L	It is confirmed that the position of Proper Officer / Clerk/Responsible Financial Officer (RFO) is filled by one person.	NIL	RFO role to be confirmed on an annual basis	May 2019 1/year
	B. Qualifications	L	Currently the role of the above is held by a CiLCA Qualified Clerk who also works as a Trainer and Internal Auditor for Suffolk Association of Local Councils (an advisory body to Town and Parish Councils)	NIL	Council to ensure role holders makes use of continual professional development Council to include within budget for 2019/2020	1/year
	C. Support Personnel	L	Council has provided a budget for administrative support to the Clerk to assist with current administrative workload.	LOW	Admin Assistant – employed effective June 2019.	
Staff	A. Loss of Key Personnel	M	Hours, health, stress, long-term illness, etc – Council has implemented twice yearly working reviews. Council to conduct an annual performance review in line with current contract.	LOW	Chairman to carry out reviews Chairman	2/year 1/year – July Mar/Sept
	B. Work overload	M	Council to monitor workload to ensure that all projects undertaken are achievable within current resources.	MEDIUM	Clerk/Council	Ongoing
		M	Council to consider the provision of a support officer / deputy to assist with increased project cover and/or succession planning.	MEDIUM	Reserves includes monies set aside for a Staff Reserve.	2/year 1/year

	C. Fraud by Staff		Fidelity Guarantee Value – reviewed on an annual basis and to cover all monies held at the most significant point in the year	LOW	Members / RFO	
Salaries	A. Wrong Salary Paid	M	A check is carried out to contract and hours claimed / worked.	L	Chair to verify	12/year
	B. Wrong Hours Paid	M	A system of payslips has been implemented to verify (PAYE system in place).	L	Chair to verify	12/year
	C. Wrong Rate Paid	M	Council to verify salary scale and agreed pay-rate with reference to contract and salary scales provided by National Association of Local Councils.	L	Chair to verify	1/year
	D. PAYE administered wrongly	M	PAYE administered on HM Revenue & Customs agreed pay-codes	L	Tax Codes verified by HM Revenue & Customs	12/year
	E. Pensions administered wrongly	M	Pension rates deducted and paid in accordance with the details provided by Suffolk County Council (SCC) who operate the Local Government Pension Scheme. Monthly returns submitted to SCC. Payment made by due date.	L	Rates verified by SCC on an annual basis	12/year
Precept	A. Not submitted	L	Full PC Minutes – RFO to follow up if confirmation email or receipt is not forthcoming from Mid Suffolk District Council. If no form is submitted, the previous year's precept requested will be rolled over.	NIL	RFO to follow up and ascertain dates for payments.	1/year
	B. Not paid by District Council	L		NIL		
	C. Adequacy of precept	L	Budget and precept prepared and agreed at full Council meeting. General Reserves held by Parish Council agreed to be to cover 4 months' worth of contracted expenditure. Analysis of General and Earmarked Reserves reviewed by Policy and Resources Committee with recommendations submitted to full Council. Budget prepared during November and December and approved by full Council in January. Budget process allows comparison's with previous, current and future years. Quarterly review of budget to actual statements received by full Council including variances from budget.	NIL	Council RFO/Council RFO/Council RFO/Council RFO/Internal Controller/Council	2/year 2/year 2/year 2/year 4/year

Income	A. Income recorded	L	All income is recorded in the cashbook once received. Income received is reported at the next full Parish Council Meeting. Majority of income is in the form of direct transfer into the Council's accounts. When received, cheques (and cash if applicable) are promptly banked via the Post Office cheque/cash receipt system.	NIL	RFO to action.	Whenever.
	B. Reporting of income	L		NIL	Member verify.	12/year.
	C. Banking	L		NIL	Member verify.	4/year.
		L		L	Member verify.	4/year.
Direct Costs	A. Goods Supplied	L	System in place to check delivery /service. Full audit trail followed.	NIL	Approval check	Variable
	B. Invoice incorrectly calculated	L	Check arithmetic at receipt of invoice. Check against orders raised – if applicable.	NIL	Approval check	Variable
	C. Payment Procedures - Cheques - Direct Debit - Standing Orders	L	2 signatories required with cheque stubs and invoice - both to be initialled.	NIL	Member verify	Variable
		L	Review of payments made under Direct Debit & Standing Order at Annual Meeting and noted at each meeting	NIL	Member verify	Annual 12/year
	D. Orders	L	System in place to allow for orders to be placed in accordance with Council's Financial Regulations – letter headed orders reviewed at quarterly internal control review.	NIL	Internal Controller verify	4/year
E. Credit Card	L	Authorised for use by Clerk only. Stored securely. Maximum spend limit. Monthly reconciliation.	NIL	Internal Controller verify	12/year	
Election Costs	Invoice at agreed rate	L	RFO to check once invoice received. Reserve fund set up to cover costs of a Parish Poll. Reserve fund to be reviewed after election term (4 years) or whenever depleted due to a Parish Poll.	NIL	RFO verify	Minimum – 1/year
CIL Reporting	A. CIL spend/income	L	Council to ensure understanding of the restrictions and time limits for receipt of income and expenditure.	L	Parish Infrastructure Investment Steering Group / Council	2/year
	B. Annual CIL Report	L	CIL report to be submitted for the period under review. Annual Audit report of income and expenditure to be completed.	L	RFO / Chair	After 31 March
	C. Submission of Report	L	Annual Audit report to be submitted to District Council & publish on website	L	RFO	Prior to 30 June
	D. Review of timescales	L	Council to ensure that CIL monies received is allocated within 5 years of receipt	L	RFO / Council	1/year

	E. Earmark Reserves	L	Council to correctly identify unallocated CIL monies received in reserves	L	RFO / Council	1/year		
Reserves – Earmarked	A. Adequacy	L	Level of reserves to be considered at Budget setting & at Policy & Resources Committee Meeting prior to year-end.	NIL	RFO Opinion	2/year		
	B. Maintenance	L	Known reserves ring-fenced and referenced.	NIL	Member	2/year		
	C. Movement	L	Movement between reserves – ring-fenced and general - into/from revenue budget to be by resolution of full Council.	NIL	Member	Whenever		
Investment	Loss of invested funds	L	Council to only invest in financial institutions that can demonstrate security and liquidity. Council will ensure that all investments are in accordance with its investment policy having regard to such guidance as the Secretary of State may issue. Council approval is required prior to investment.	NIL	Council	Whenever		
Assets	A. Loss, Damage etc	L	Annual Inspection for all assets carried out – external body contracted in for play area assessments.	NIL	RFO & Policy & Resources Committee.	1/year		
	B. Insurance	L	Council to confirm all assets have up-to-date insurance when compared against the asset register.	NIL	RFO & Policy & Resources Committee	2/year		
	C. Third party risk	L	Review adequacy of Public Liability Insurance	NIL	RFO & Policy & Resources Committee	2/year		
Maintenance Of Assets	Poor maintenance of assets	L	Monthly maintenance review on New Green Play Area	NIL	Members of Recreational Facilities Committee	12/year		
			Monthly maintenance review on Heath Road Play Area			NIL	RFO	1/year
			Monthly maintenance review on Church Road Play Area					RFO / Members
			Independent Annual Inspection			2/year		
			When reported, maintenance is carried out in accordance with the Council's Financial Regulations. Council has a revenue budget for asset maintenance as well as an earmarked reserve fund.					
Financial Records	A. Knowledge of Statute	L	Council has appointed a qualified Clerk to manage the Council's financial affairs. Noted that the post-holder is also an Internal Auditor contracted to carry out internal audits on behalf of S.A.L.C.	NIL	Council	Annual		
	B. Inadequate records	L	Internal control expanded to provide a more robust system of controls these are carried out on a ¼ly basis by an appointed member of the Parish Council	NIL	RFO & Member	4/year		

	C. Loss of records	L	Office 365 used – 1TB of cloud storage. Personal records kept securely within locked filing cabinet - not for public records.	NIL	RFO	12/year
	D. Access to bank records	L	Controls set for access to the Council’s bank accounts and ability to access records – no on-line banking carried out. Ability to view statements online only exists. Internal control expanded to limit access to the transfer of monies between Parish Council operated accounts and access to online bank statements. Internet access limited by passwords – renewed on an annual basis.	L	RFO/ Member	1/year
				L	RFO	1/year
				L	RFO	1/year
Council’s Records	Access to records held on the Council owned computer	L	A system of access to the Council’s laptop via a BITLOCK key has been implemented. A paper copy of the access code for entry onto the laptop, which is operated by the Clerk for Council work, is kept in a sealed envelope securely locked in the safe. Access to the envelope containing the access code to be opened in the absence of the Clerk must be by the Chair in the presence of another Councillor. Access to the laptop in these circumstances must be in the presence of 2 Councillors and a report submitted to the Council detailing the reasons for such access to be submitted at the next available meeting.	NIL	Chair & Member	Whenever
Legal Powers	Illegal activity or payment	L	Council educated as to their legal powers (Council is eligible to use General Power of Competence – eligibility confirmed at meeting of full Council May 2019).	L	Diary	Annual
Governance	A. Standing Orders	L	Council has formally adopted tailored Standing Orders which are reviewed on an annual basis.	L	Clerk / Council	Annual
	B. Financial Regulations	L	Council has formally adopted tailored Financial Regulations which are reviewed on an annual basis. Council has registered with the ICO as a Data Controller under the Data Protection Legislation. Renewal is on a Direct Debit Mandate.	L	Clerk / Council	Annual
	C. Data Protection	L	Council has carried out a Data Audit and identified the legal basis for processing personal data.	L	RFO	1/year

	D. General Data Protection Regulations	L	Procedures are in place for dealing with Subject Access Requests; Data Breaches – detecting, reporting & investigating and obtaining consent. Privacy Notices have been updated and are available on the website and in the Parish Council Office.	L	Clerk / Council	1/year
<i>Unidentified for security purposes</i>	<i>Access to records and items kept securely</i>	<i>L</i>	<i>Not for public knowledge</i>	<i>NIL</i>	<i>Clerk/Chair or Vice-Chair</i>	
Minutes	Accurate and Legal	L	Parish Council minutes - reviewed at next scheduled meeting. Planning Committee minutes – reviewed at next Parish Council scheduled meeting. Policy & Resources Committee minutes – reviewed at next Policy & Resources Cttee Meeting with recommendations submitted to full council. Recreational Facilities Committee minutes – reviewed at next Recreation Ground Cttee meeting.		Diary	12/year 12/year As and when 4/year
Members Interests	A. Code of Conduct B. Conflict of Interest	L L	Council has adopted the Suffolk Local Code of Conduct Update Declarations of Interest – opportunity to update at each meeting and reminder set at Annual Parish Council Meeting.	NIL NIL	No action Diary	No action Within 28 days of change